

## **E. FERNDALE**

### **1. OVERVIEW**

#### **City Location & History**

Ferndale is located 12.0 miles north of downtown Detroit, and abuts Detroit's northern city limit. It is in the southeast region of Michigan's lower peninsula. First inhabited by Native Americans, the area soon gave way to homesteading farmers in the 19<sup>th</sup> century. Ferndale grew slowly as a bedroom community for Detroit workers prior to World War I, with most of its growth occurring between 1920 and 1945. In 1927, it was incorporated as a city. The advent of the automobile and the opening of the Ford Motor plant in nearby Highland Park sparked additional growth. Until the 1970s, Ferndale was a typical suburban community. Recently the city has experienced a revival of its downtown. Formed by the intersection of Woodward Avenue and Nine Mile Road, the Central Business District infrastructure has become more pedestrian friendly. The result has been an influx of new retail businesses and housing construction. Ferndale is now a sought-after inner-city community bordering Detroit.

Ferndale is located in Oakland County along State Route 1 (Woodward Avenue). It is southwest of the intersection of Interstate 696 (St. Clair Shores east and Farmington Hills west) and Interstate 75 (Pontiac north and Detroit south). In 2007 it was estimated that Ferndale had 21,277 people living in 9,796 households within 3.8 square miles.

#### **Downtown Study Area Delineation & Boundaries**

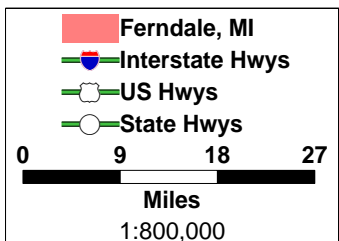
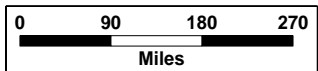
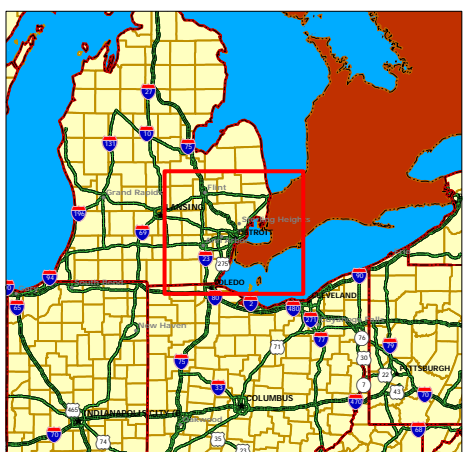
The Ferndale Downtown Study Area (DSA) was established after a driving tour of the inner city and consultation with city officials. The following four factors influenced the final delineation: (1) exclusion of single-family neighborhoods, (2) inclusion of the Central Business District, (3) general adherence to downtown development authority boundaries, and (4) recognition of significant natural and man-made barriers. For this study, the Ferndale DSA is generally described as follows:

- North boundary: Cambourne Street
- East boundary: Railroad Tracks
- South boundary: Ardmore Drive / Albany Street
- West boundary: Livernois Street

The geographic center of the DSA is the intersection of Woodward Avenue and Nine Mile Road.

- A regional map showing the location of the city within the state and a map delineating the specific boundaries of the DSA follow. On this DSA map, we have shown the location of each multi-unit property (both rental and condominium) surveyed within the Ferndale DSA. Map I.D. numbers for surveyed properties are identified in the Multi-Unit Housing Supply Analysis later in this section.

## Ferndale, MI: Surrounding Region



# Canada

Ferndale, MI

## Interstate Hwys



US Hwys

### State Hwys

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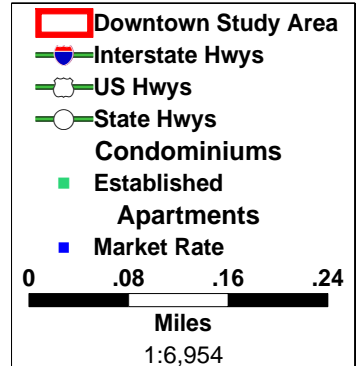
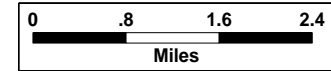
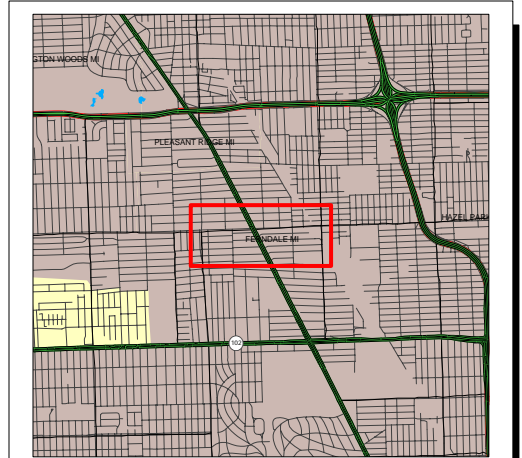
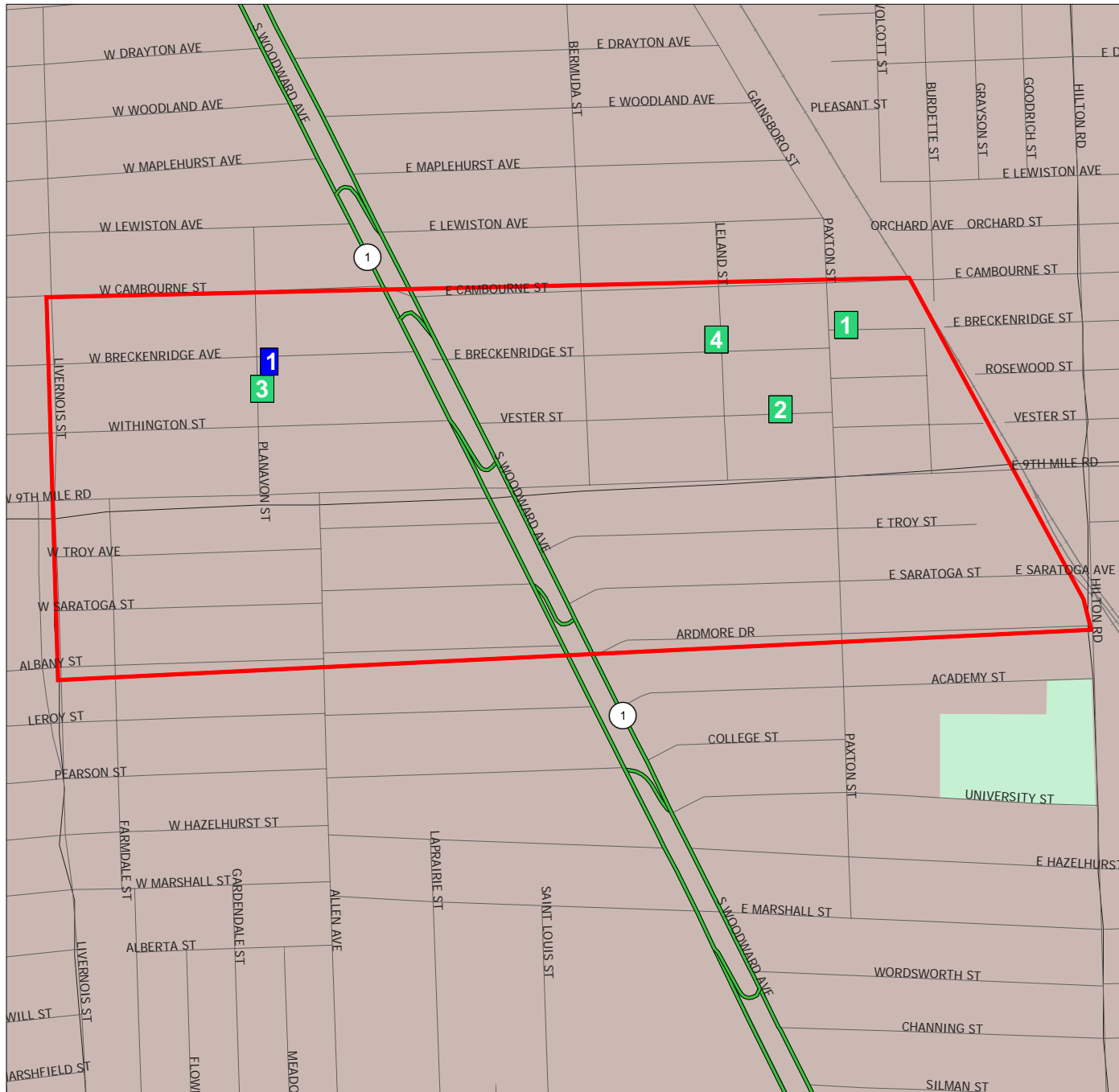
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RESEARCH

# Ferndale, MI: DSA Boundary with Surveyed Properties



### **2007 Demographic Snapshot (Estimated from 2000 Census)**

The following table provides a brief demographic snapshot of key population and household characteristics for the Ferndale DSA and the remainder of the city:

	2007 ESTIMATE	
	DOWNTOWN STUDY AREA	REMAINDER OF FERNDALE
<b>POPULATION</b>		
NUMBER	2,084	19,193
MEDIAN AGE	37.5	37.2
<b>GENDER</b>		
PERCENT MALE	50.1%	50.3%
PERCENT FEMALE	49.9%	49.8%
<b>EDUCATION (AGE 25+)</b>		
PERCENT HIGH SCHOOL EDUCATED	35.6%	43.8%
PERCENT COLLEGE EDUCATED	64.4%	56.2%
<b>MARTIAL STATUS (AGE 15+)</b>		
PERCENT SINGLE	64.7%	57.0%
PERCENT MARRIED	35.3%	43.0%
<b>HOUSEHOLDS</b>		
NUMBER	1,131	8,665
<b>PRESENCE OF CHILDREN</b>		
PERCENT WITH CHILDREN	24.6%	32.0%
PERCENT WITHOUT CHILDREN	75.4%	68.0%
<b>AVERAGE SIZE</b>	2.0	2.2
<b>TENURE</b>		
PERCENT OWNER	57.8%	72.4%
PERCENT RENTER	42.2%	27.6%
<b>MEDIAN INCOME</b>	\$50,046	\$53,284

Source: 2000 Census; Claritas, Inc.

The above data and more detailed demographic information are analyzed in the following section.

## **2. DEMOGRAPHICS**

The following information has been compiled from the U.S. Census Bureau, the U.S. Department of Housing and Urban Development, the U.S. Department of Labor, and the FBI. It has been grouped into five categories for analysis: (1) population characteristics - descriptors for individual people, (2) household characteristics - descriptors for people living together in one residence, (3) housing characteristics - descriptors for residential dwelling units, (4) crime and transportation - descriptors for crime rates and transit/commuting activities, and (5) economic and employment indicators - descriptors for business and employment activity. This information is provided for expanding geographic areas: (1) the Downtown Study Area (DSA), (2) the remainder of the DSA's city, and (3) the state of Michigan.

## Population Characteristics

	DOWNTOWN STUDY AREA	REMAINDER OF FERNDALE	STATE OF MICHIGAN
<b>POPULATION</b>			
1990 CENSUS	2,438	22,664	9,295,297
2000 CENSUS	2,155	19,950	9,938,444
2007 ESTIMATED	2,084	19,193	10,159,688
2012 PROJECTED	2,025	18,650	10,268,116
PERCENT CHANGE 1990 TO 2000	-11.6%	-12.0%	6.9%
PERCENT CHANGE 2000 TO 2007	-3.3%	-3.8%	2.2%
PERCENT CHANGE 2007 TO 2012	-2.8%	-2.8%	1.1%
<b>POPULATION BY AGE 2007</b>			
PERCENT AGE LESS THAN 18 (CHILDREN)	16.5%	20.0%	24.5%
PERCENT AGE 18 TO 34 (YOUNG ADULTS)	28.6%	25.8%	22.6%
PERCENT AGE 35 TO 54 (MIDDLE-AGED ADULTS)	34.6%	34.1%	29.2%
PERCENT AGE 55 OR MORE (SENIORS)	20.3%	20.1%	23.7%
MEDIAN AGE	37.5	37.2	37.1
<b>POPULATION BY GENDER 2007</b>			
PERCENT MALE	50.1%	50.3%	49.2%
PERCENT FEMALE	49.9%	49.8%	50.8%
<b>POPULATION BY EDUCATION (AGE 25+) 2007</b>			
PERCENT HIGH SCHOOL GRADUATES OR LESS	35.6%	43.8%	47.6%
PERCENT SOME COLLEGE	23.1%	24.8%	23.4%
PERCENT COLLEGE GRADUATES OR MORE	41.3%	31.4%	29.1%
<b>POPULATION BY MARTIAL STATUS (AGE 15+) 2007</b>			
PERCENT NEVER MARRIED	44.4%	38.3%	27.2%
PERCENT MARRIED	35.3%	43.0%	56.3%
PERCENT WIDOWED/DIVORCED	20.4%	18.8%	16.5%
<b>LAND AREA, POPULATION DENSITY &amp; DAYTIME POPULATION 2007</b>			
LAND AREA (IN SQUARE MILES)	0.3	3.5	56,803.8
PERSONS PER SQUARE MILE	6,202.4	5,415.6	178.9
DAYTIME POPULATION	1,521	11,336	5,680,903

Source: 2000 Census; Claritas, Inc.

Noteworthy observations and trends from the above table for the Ferndale DSA include the following:

- The total population within the DSA decreased at a similar rate to the remainder of the city from 1990 to 2000 (11.6% versus 12.0%). These decreases occurred while the state population increased by 6.9%. The total population within the DSA was projected to decrease at a similar rate to the remainder of the city from 2000 to 2012 (6.1% versus 6.6%). The state's population was projected to increase 3.3% during this same 12-year period.

- In 2007 2,084 people resided within the DSA, representing 9.8% of the city's total population. This high percentage is a function of the small geographic size of the city limits (3.5 square miles).
- In 2007 the typical DSA resident profile was a 37.5 year old adult (34.6% between 35 and 54 years of age) who was college educated (64.4%) and unmarried (64.8%). There was an even distribution of males and females. This profile is slightly different from the remainder of the city and the state. The percentage of children under 18 years of age within the DSA was lower than the remainder of the city and much lower than the state (16.5% versus 20.0% and 52.9%).
- In 2007 the land area within the DSA represented 7.9% of the total area within the city limits. This is high value for this study.
- In 2007 the population density within the DSA was only 1.2 times denser than the remainder of the city. This is a very slight difference.

## Household Characteristics

	DOWNTOWN STUDY AREA	REMAINDER OF FERNDALE	STATE OF MICHIGAN
<b>HOUSEHOLDS</b>			
1990 CENSUS	1,125	8,741	3,419,331
2000 CENSUS	1,134	8,738	3,785,661
2007 ESTIMATED	1,131	8,665	3,936,519
2012 PROJECTED	1,120	8,574	4,009,481
PERCENT CHANGE 1990 TO 2000	0.8%	0.0%	10.7%
PERCENT CHANGE 2000 TO 2007	-0.3%	-0.8%	4.0%
PERCENT CHANGE 2007 TO 2012	-1.0%	-1.1%	1.9%
<b>HOUSEHOLDS BY COMPOSITION 2007</b>			
PERCENT SINGLE	44.2%	36.4%	27.2%
PERCENT MARRIED WITH CHILDREN	12.2%	15.8%	23.5%
PERCENT MARRIED NO CHILDREN	17.0%	20.5%	28.7%
PERCENT SINGLE PARENT	12.4%	16.3%	16.0%
PERCENT OTHER	14.1%	11.1%	4.7%
<b>AVERAGE HOUSEHOLD SIZE 2007</b>	2.0	2.2	2.5
<b>HOUSEHOLDS BY TENURE 2007</b>			
PERCENT OWNER	57.8%	72.4%	74.5%
PERCENT RENTER	42.2%	27.6%	25.5%
<b>MEDIAN HOUSEHOLD INCOME 2007</b>	\$50,046	\$53,284	\$50,319
<b>HOUSEHOLDS BY PRIZM NE LIFESTAGE CLASSES &amp; GROUPS 2007*</b>			
<b>PERCENT YOUNGER YEARS CLASS</b>	28.4%	18.5%	32.7%
PERCENT <i>MIDLIFE SUCCESS</i> GROUP	0.0%	0.0%	15.4%
PERCENT <i>YOUNG ACHIEVERS</i> GROUP	28.4%	18.5%	6.8%
PERCENT <i>STRIVING SINGLES</i> GROUP	0.0%	0.0%	10.5%
<b>PERCENT FAMILY LIFE CLASS</b>	46.9%	58.3%	30.6%
PERCENT <i>ACCUMULATED WEALTH</i> GROUP	0.0%	0.0%	4.0%
PERCENT <i>YOUNG ACCUMULATORS</i> GROUP	25.5%	37.8%	8.4%
PERCENT <i>MAINSTREAM FAMILIES</i> GROUP	21.4%	20.2%	14.7%
PERCENT <i>SUSTAINING FAMILIES</i> GROUP	0.0%	0.2%	3.6%
<b>PERCENT MATURE YEARS CLASS</b>	24.7%	23.2%	36.7%
PERCENT <i>AFFLUENT EMPTY NESTS</i> GROUP	11.6%	10.9%	6.1%
PERCENT <i>CONSERVATIVE CLASSICS</i> GROUP	4.0%	4.5%	10.7%
PERCENT <i>CAUTIOUS COUPLES</i> GROUP	5.1%	5.2%	11.6%
PERCENT <i>SUSTAINING SENIORS</i> GROUP	4.0%	2.7%	8.4%

Source: 2000 Census; Claritas, Inc.

\*See Addendum A for Lifestage Class & Group definitions.

Noteworthy observations and trends for the Ferndale DSA include the following:

- The total number of households within the DSA and the remainder of the city held steady from 1990 to 2000 (0.8% and 0.0%), while the state increased by 10.7%. The number of households in the DSA and the remainder of the city were projected to decrease slightly from 2000 to 2012 (1.3% and 1.9%), while the state's households were projected to increase by 5.9%.

- In 2007 1,131 households resided within the DSA, representing 11.6% of city's total households.
- In 2007 the typical DSA household profile was a single adult (56.6%) with no children (61.2%) earning \$50,046 a year (median income) and owning their residence (57.8%). This profile is similar to the remainder of the city, but quite different from the state. Percentages of DSA households with children (24.6%) and married adults (29.2%) were below the remainder of the city (32.1% and 36.3%) and the state (39.5% and 52.2%).
- In 2007 the average household size within the DSA (2.0 people) was slightly smaller than the remainder of the city (2.2) and the state (2.5).
- In 2007 the percent of renter households within the DSA (42.2%) was higher than the remainder of the city (27.6%) and the state (25.5%).
- In 2007 the median income within the DSA (\$50,046) was very close to the remainder of the city (\$53,284) and the state (\$50,319).
- *Claritas, Inc. Prizm NE Lifestage* data for 2007 (estimated) was used to determine DSA resident profiles. Residents were classified in three main Lifestage classes: Younger Years, Family Life, and Mature Years. The largest Lifestage class within the DSA was *Family Life* at 46.9% of all households, while the two largest Lifestage groups were *Young Achievers* (28.4%) and *Young Accumulators* (25.5%). The largest Lifestage class in the remainder of the city was *Family Life* at 58.3% of all households, while the two largest Lifestage groups were *Young Accumulators* (37.8%) and *Mainstream Families* (20.2%). The largest Lifestage class in the state was *Mature Years* at 36.7% of all households, while the two largest Lifestage groups were *Midlife Success* (15.4%) and *Mainstream Families* (14.7%). Although the DSA Lifestage class percentages compare closely to the remainder of the city, they are different from the state as a whole. Further, the DSA Lifestage group percentages are different from the remainder of the city and the state. This indicates that household composition within the DSA is different from the remainder of the city and very different from the state as a whole. DSA households are slightly smaller, mostly childless, mostly single, and more likely to own.

## Housing Characteristics

	DOWNTOWN STUDY AREA	REMAINDER OF FERNDAL	STATE OF MICHIGAN
<b>HOUSING UNITS 2000</b>			
PERCENT OCCUPIED	95.6%	96.5%	89.4%
PERCENT VACANT	4.4%	3.5%	10.6%
TOTAL	1,186	9,057	4,234,279
<b>HOUSING UNITS 2007</b>			
PERCENT OCCUPIED	94.2%	95.4%	87.8%
PERCENT VACANT	5.8%	4.6%	12.2%
TOTAL	1,201	9,087	4,482,194
<b>HOUSING UNITS 2012</b>			
PERCENT OCCUPIED	92.7%	94.2%	86.2%
PERCENT VACANT	7.3%	5.8%	13.8%
TOTAL	1,208	9,099	4,652,213
<b>HOUSING PAYMENTS GREATER THAN 30% OF INCOME BY TENURE 2000</b>			
PERCENT OWNER-OCCUPIED UNITS	19.9%	20.5%	17.8%
PERCENT RENTER-OCCUPIED UNITS	29.0%	28.6%	37.6%
<b>AVERAGE MONTHLY OWNER HOUSING PAYMENT 2000</b>	\$1,131	\$989	\$1,037
<b>AVERAGE MONTHLY RENTER HOUSING PAYMENT 2000</b>	\$583	\$633	\$578
<b>AVERAGE NUMBER OF ROOMS PER OCCUPIED HOUSING UNIT 2000</b>	5.3	5.4	5.7
<b>AVERAGE NUMBER OF BEDROOMS PER OCCUPIED HOUSING UNIT 2000</b>	2.1	2.2	2.3
<b>YEAR BUILT; OWNER-OCCUPIED UNITS (2000)</b>			
PERCENT 1990 TO MARCH 2000	0.9%	1.5%	16.0%
PERCENT 1980 TO 1989	0.0%	0.9%	9.7%
PERCENT 1979 OR EARLIER	99.1%	97.6%	74.3%
<b>YEAR BUILT; RENTER-OCCUPIED UNITS (2000)</b>			
PERCENT 1990 TO MARCH 2000	3.6%	0.9%	10.2%
PERCENT 1980 TO 1989	5.0%	3.8%	13.0%
PERCENT 1979 OR EARLIER	91.4%	95.3%	76.8%
<b>HOUSING UNITS BY STRUCTURE TYPE 2000</b>			
PERCENT SINGLE FAMILY	66.4%	84.7%	74.5%
PERCENT 2 TO 19 UNITS IN A BUILDING	27.9%	12.3%	13.7%
PERCENT 20 TO 49 UNITS IN A BUILDING	1.4%	1.6%	2.2%
PERCENT 50 OR MORE UNITS IN A BUILDING	4.0%	1.0%	3.0%
PERCENT OTHER	0.2%	0.3%	6.7%
<b>MEDIAN HOME VALUE 2000</b>	\$118,859	\$101,676	\$110,857
<b>MEDIAN HOME VALUE 2007</b>	\$158,824	\$138,908	\$145,613
<b>MEDIAN HOME VALUE 2012</b>	\$174,257	\$152,376	\$158,803
<b>AVERAGE RESIDENCY LENGTH; OWNER-OCCUPIED UNITS</b>	10.0	11.0	11.0
<b>ANNUAL TURNOVER; OWNER-OCCUPIED UNITS (2000)</b>	9.4%	8.7%	7.7%
<b>ANNUAL TURNOVER; RENTER-OCCUPIED UNITS (2000)</b>	32.5%	30.2%	31.6%

Source: 2000 Census; Claritas, Inc.

Noteworthy observations and trends for the Ferndale DSA include the following:

- Although the total number of housing units in the DSA was projected to increase at a slightly higher rate than the remainder of the city from 2000 to 2012 (1.9% versus 0.5%), it was projected to be at a lower rate than the state (1.9% versus 9.9%).
- While the total number of housing units in the DSA was projected to increase from 2000 to 2012 (1.9%), the vacancy rate was projected to increase as well from 4.4% to 7.3%, a 65.9% increase. This same condition was projected to hold true for the remainder of the city and the state, however, at differing rates.
- In 2007 there were 1,201 housing units within the DSA, representing 11.7% of the city's total housing units. Of all the DSA housing units, 5.8% were estimated to be vacant.
- In 2000 29.0% of the renter-occupied units within the DSA paid more than 30% of their gross income for housing. This is similar to the percentage for the remainder of the city (28.6%), but lower than the state (37.6%).
- In 2000 owner-occupied units within the DSA paid an average of \$1,131 per month for housing, which was more than the remainder of the city (\$989) and the state (\$1,037). Renter-occupied units within the DSA paid an average of \$583 per month for housing, which was less than the remainder of the city (\$633), but slightly more than the state (\$578).
- In 2000 the average number of total rooms (5.3) and bedrooms (2.1) per DSA housing unit were similar to the remainder of the city and the state.
- In 2000 33.3% of all housing units within the DSA were in multi-unit buildings. This percentage is higher than the remainder of the city (14.9%) and the state (18.9%). Conversely, 66.4% of all housing units in the DSA were single-unit/single-family structures. This is a very high percentage for DSAs in this study.
- From 2000 to 2012, it is projected that median home value within the DSA will be slightly higher than the remainder of the city and the state. Median home values within the DSA are projected to increase at the same rate as the remainder of the city and the state (46.6% versus 49.9% and 43.3%) from 2000 to 2012.

- The average residency length of owner-occupied units within the DSA (10 years) is the same as the remainder of the city and the state (both 11 years). Annual turnover rates within the DSA for renter-occupied and owner-occupied units are similar to those for the remainder of the city and the state.

### **Crime & Transportation**

	<b>DOWNTOWN STUDY AREA</b>	<b>REMAINDER OF FERNDAL</b>	<b>STATE OF MICHIGAN</b>
<b>CRIME INDEX 2007*</b>			
<i>PERSONAL CRIME</i>	99	127	94
<i>PROPERTY CRIME</i>	79	175	115
<b>WORKER COMMUTE BY MODE (AGE 16+) 2007</b>			
PERCENT DRIVE ALONE	87.4%	86.5%	83.5%
PERCENT CARPOOL	6.7%	7.6%	9.6%
PERCENT PUBLIC TRANSIT	2.1%	1.1%	1.2%
PERCENT WALK	0.9%	2.0%	2.2%
PERCENT MOTORCYCLE / BICYCLE	0.0%	0.4%	0.2%
PERCENT OTHER MEANS	0.1%	0.3%	0.5%
PERCENT WORK AT HOME	2.8%	2.2%	2.9%
TOTAL WORKERS	1,291	10,945	4,777,007
<b>AVERAGE WORKER COMMUTE TIME IN MINUTES (AGE 16+) 2007</b>	24.3	24.1	26.2
<b>AVERAGE NUMBER OF VEHICLES PER HOUSEHOLD BY TENURE 2007</b>			
OWNER HOUSEHOLDS	1.5	1.7	1.8
RENTER HOUSEHOLDS	1.7	1.7	2.0
ALL HOUSEHOLDS	1.2	1.4	1.2

Source: 2000 Census; Claritas, Inc.; Applied Geographic Solutions; VWB Research

\*Based on a par value of 100

Noteworthy observations and trends for the Ferndale DSA include the following:

- In 2007 personal crime indices within the DSA were lower than the remainder of the city, and equal to state and national averages. Property crime indices within the DSA were estimated to be much lower than the remainder of the city, the state, and the nation.
- In 2007 the adult workers within the DSA used the same commuting modes at similar percentages as workers in the remainder of the city and the state; 0.9% walked to work, and 2.1% used public transit. Commute times were similar for all workers in all three areas.

## Economic & Employment Indicators

	DOWNTOWN STUDY AREA	REMAINDER OF FERNDAL	STATE OF MICHIGAN
<b>EMPLOYMENT SHARE BY INDUSTRY 2007</b>			
AGRICULTURE & NATURAL RESOURCES	0.7%	0.9%	1.1%
MINING	0.0%	0.0%	0.1%
CONSTRUCTION	2.8%	8.9%	4.3%
MANUFACTURING	4.5%	22.8%	14.7%
TRANSPORTATION & UTILITIES	1.4%	5.0%	4.1%
WHOLESALE TRADE	5.6%	10.7%	4.3%
RETAIL TRADE	48.3%	18.2%	19.4%
F.I.R.E.	3.4%	2.2%	5.9%
SERVICES	26.4%	26.9%	39.9%
GOVERNMENT	5.3%	3.1%	5.0%
NON-CLASSIFIABLE	1.6%	1.3%	1.1%
TOTAL EMPLOYEES	1,521	11,336	5,680,903
<b>ANNUAL UNEMPLOYMENT RATE</b>			
2000	NA	2.9%	3.7%
2001	NA	4.4%	5.2%
2002	NA	5.3%	6.2%
2003	NA	5.6%	7.1%
2004	NA	5.7%	7.0%
2005	NA	5.7%	6.8%
2006	NA	5.8%	6.9%
2007	NA	6.1%	7.2%
<b>MEDIAN HOUSEHOLD EFFECTIVE BUYING INCOME 2007</b>	\$40,997	\$43,756	\$41,752
<b>ECONOMIC DENSITIES 2007</b>			
TOTAL BUSINESSES PER SQUARE MILE	497.0	269.2	7.1
RETAIL BUSINESSES PER SQUARE MILE	154.8	57.6	1.4
EMPLOYEES PER SQUARE MILE	4,526.8	3,198.6	100.0
<b>RESIDENTIAL MULTI-UNIT BUILDING PERMITS BY DECADE (5+ UNITS PER BUILDING)</b>			
2000 TO 2006 (UNITS)	NA	35	46,563
1990 TO 1999 (UNITS)	NA	0	65,592
1980 TO 1989 (UNITS)	NA	130	106,921
<b>TOP 10 EMPLOYERS WITHIN ONE MILE OF DOWNTOWN STUDY AREA</b>	<b>NUMBER OF EMPLOYEES</b>	<b>TYPE OF BUSINESS</b>	
1. PIANOTEK SUPPLY	400	DURABLE GOODS WHOLESALE	
2. FERNDAL HIGH SCHOOL	300	PUBLIC HIGH SCHOOL	
3. FERNDAL LABORATORIES	200	DRUG WHOLESALE	
4. FERNDAL LABORATORIES	195	SURGICAL/MEDICAL INSTRUMENTS	
5. MID-WEST WIRE PRODUCTS	150	WIRE PRODUCTS	
6. FERNDAL ELECTRIC	150	ELECTRICAL CONTRACTORS	
7. HOYT BRUMM & LINK	125	ELECTRICAL CONTRACTORS	
8. BUFFALO WILD WINGS	100	RESTAURANT	
9. FERNDAL FOODS	100	SUPERMARKET	
10. TIFFANY'S BUILDING SERVICES	99	JANITORIAL SERVICES	

Source: Claritas, Inc.; Department of Labor, Bureau of Labor Statistics; socds.huduser.org – Building Permit Database 2007; InfoUSA Business Database

Noteworthy observations and trends for the Ferndale DSA include the following:

- In 2007 1,521 people worked within the DSA, representing 11.8% of all workers within the city.
- In 2007 the industry with the most employees within the DSA was Retail Trades at 48.3%.
- In 2007 white-collar employment within the DSA (62.3%) was similar to the remainder of the city (62.8%) and higher than the state (56.9%).
- From 2000 to 2007, the unemployment rate for Ferndale has been lower than the state rate, while increasing from 2.9% to 6.1%. In 2007 the unemployment rate for Ferndale was 6.1%, compared to the state's 7.2%.
- In 2007 the median household effective buying income within the DSA (\$40,997) was slightly below the remainder of the city (\$43,756) and the state (\$41,752).
- Based on estimated 2007 economic densities, there was a higher concentration of total businesses, retail businesses, and employees within the DSA than the remainder of the city.
- On a citywide basis, the number of residential permits issued for units in buildings with five or more dwellings has fluctuated over the last three decades. Permits issued for multi-unit buildings (five units or more) went from 130 during the 1980s to zero during the 1990s to 50 during the 2000s (adjusted for a full decade). Since 2000, an average of five multi-unit building permits per year were issued citywide; down from 13 per year during the 1980s.
- Within 1.0 mile of the DSA, the largest employer is Pianotek Supply with 400 employees. The 10 largest employers within 1.0 mile of the DSA employ a total of 1,719 people. Within the DSA, 1,521 people are employed, yielding an "Employment per DSA Resident" ratio of 0.73 to one (based on 2007 estimates).

## **Demographic Summary**

Resident households within the Ferndale DSA typically are childless, unmarried adults (37 year median age) who either live alone or with a roommate/partner, are college educated, earn an average of \$50,000 per year, and own their residence. The largest Lifestage Group is *Young Achievers*. There are an equal number of males and females. The DSA population decreased from 1990 to 2000, and is projected to decrease from 2000 to 2012. Household growth is expected to decline slightly over this same 12-year period. In 2007, 9.8% of the city's population was projected to live within the DSA. Population density is high, while daytime population is low.

The number of total housing units within the DSA is projected to increase from 2000 to 2012, however, so is the vacancy rate. It is projected that 11.7% of the city's total housing units are within the DSA. There are more owners than renters. The percentage of households paying over 30% of their income for housing is similar to the remainder of the city and the state. Housing units are denser (more units per building) within the DSA, but similar in size to the remainder of the city. The typical housing unit within the DSA has two bedrooms and is in a multi-unit building. DSA owners pay slightly more per month for housing than the state average, while renters pay about the same as the state average. While median home values are increasing, they are also higher than the remainder of the city and the state. Residency length within the DSA is the same as the city as a whole and the state. The annual turnover rates for renters and owners within the DSA are the same as those for the remainder of the city or the state.

Personal crime indices within the DSA are lower than the rest of the city, and similar to the state and national averages. Property crime indices within the DSA are much less than the rest of the city and state and national averages. Transportation data indicates that DSA residents/households use similar commuting modes at similar rates, have similar commuting times, and own similar numbers of vehicles as their counterparts outside the DSA.

No one major business influences employment in and near the DSA. Nine of the largest 10 employers within 1.0 mile of the DSA are private for-profit businesses. Most employment is white-collar (62.3%) with 83.4% of jobs falling within Services, Retail, Government, and Finance/Insurance/Real Estate industries.

Unemployment citywide has increased each year since 2000, but remains under the state rate. Building permits for residential dwellings in multi-unit buildings have fluctuated citywide over the past 27 years, indicating a sporadic multi-unit housing market. Economic densities for the DSA are higher than the remainder of the city, but below average for the study.

### 3. MULTI-UNIT HOUSING SUPPLY ANALYSIS

#### Demographic Housing Supply Overview

According to the U.S. Census, the distribution of housing stock by tenure and occupancy within the Ferndale DSA for 2000, 2007 (estimated), and 2012 (projected) is summarized in the following table:

HOUSING TYPE	2000 CENSUS		2007 (ESTIMATED)		2012 (PROJECTED)	
	HOUSING UNITS	PERCENT	HOUSING UNITS	PERCENT	HOUSING UNITS	PERCENT
TOTAL OCCUPIED	1,134	95.6%	1,131	94.2%	1,120	92.7%
OWNER-OCCUPIED	656	57.8%	654	57.8%	648	57.9%
RENTER-OCCUPIED	478	42.2%	477	42.2%	472	42.1%
VACANT	52	4.4%	70	5.8%	88	7.3%
TOTAL	1,186	100.0%	1,201	100.0%	1,208	100.0%

Source: 2000 Census; Claritas, Inc.; VWB Research

For all three years (2000, 2007, and 2012), owner-occupied housing units outnumber renter-occupied housing units by 1.4 to one.

Demographic housing trends indicate the total number of housing units within the DSA was projected to increase by 22 (1.9%) from 2000 to 2012, while the vacancy rate for all housing units was projected to increase from 4.4% to 7.3% during the same 12-year period.

The following table shows the distribution of occupied housing units within the DSA by structure type (type = units per building) in 2000:

HOUSING UNITS BY STRUCTURE TYPE (2000 CENSUS)	NUMBER OF UNITS	PERCENT
SINGLE-UNIT	788	66.4%
LOW-DENSITY MULTI-UNIT (2 TO 19 UNITS PER BUILDING)	331	27.9%
MEDIUM-DENSITY MULTI-UNIT (20 TO 49 UNITS PER BUILDING)	17	1.4%
HIGH-DENSITY MULTI-UNIT (50+ UNITS PER BUILDING)	48	4.0%
OTHER (TRAILER/BOAT/RV/VAN/ETC.)	2	0.2%
TOTAL	1,186	100.0%

Source: U.S. Census Bureau; 2000 Census

The above table shows that most of the occupied housing units within the DSA were located in Single-Unit buildings (66.4%). Of all the occupied housing units within the DSA, 33.4% were located in Multi-Unit buildings, with most in Low-Density Multi-Unit buildings (27.9%).

The following table presents selected housing characteristics by owner- and renter-occupied housing units for the DSA in 2000:

HOUSING CHARACTERISTIC IN YEAR 2000	OWNER-OCCUPIED HOUSING UNITS	RENTER-OCCUPIED HOUSING UNITS
AVERAGE MONTHLY HOUSING PAYMENT	\$1,131	\$583
PERCENT WITH HOUSING PAYMENT GREATER THAN 30% OF INCOME	19.9%	29.0%
AVERAGE HOUSEHOLD SIZE	2.3	1.7
PERCENT MOVED-IN BETWEEN 1995 & 2000	39.0%	79.1%
ANNUAL TURNOVER RATE	9.4%	32.5%
AVERAGE NUMBER OF TOTAL ROOMS	6.2	4.1
AVERAGE NUMBER OF BEDROOMS	2.7	1.6
PERCENT BUILT BETWEEN 1990 & 2000	0.9%	3.6%
MEDIAN YEAR BUILT	<1939	1954

Source: U.S. Census Bureau; 2000 Census

Noteworthy observations from the DSA include:

- Owners paid twice as much as renters for housing.
- Owner-occupied households were larger than renter-occupied.
- Between 1995 and 2000, 79% of renter-occupied households moved into the DSA, while 39% of owners moved in during that period.
- Nearly a third of all renter-occupied units turned over each year.
- Owner-occupied units were larger than renter-occupied units.
- Very few renter or owner units were built during the 1990s.

### **Multi-Unit Rental Housing Supply Survey**

We identified and surveyed one multi-unit rental housing property totaling 22 units within the Ferndale DSA that met the study's selection criteria (refer to Ferndale DSA Map using property Map I.D. numbers below). A summary of the surveyed property by type, unit count, and occupancy rate appears in the following table:

PROPERTY TYPE	PROPERTIES SURVEYED	TOTAL UNITS	VACANT UNITS	VACANCY RATE*
MARKET-RATE	1	22	2	9.1%
TOTAL	1	22	2	9.1%

\*As of July 2007

Although there is only one surveyed property, the Ferndale DSA multi-unit rental market is performing well with an overall multi-unit rental vacancy rate of 9.1%. The study's aggregate vacancy rate for all surveyed multi-unit rental housing properties in this study is 8.9%; indicating the Ferndale DSA has a vacancy rate very close to the study's aggregate average.

The following table summarizes key information for each multi-unit rental housing property surveyed in the DSA:

MAP I.D.	PROPERTY NAME	TYPE	YEAR BUILT/ RENOVATED	UNITS	BUILDING STORIES	VACANCY RATE**	QUALITY RATING	NET RENT* RANGE
1	MARION MANOR	MRR	1964	22	2.5	9.1%	B-	\$625 - \$645

\*Net rent excludes all utilities except water, sewer, and trash removal.

\*\*As of July 2007

From the above table, the one surveyed property, Marion Manor, is an older building constructed in 1964. No significant renovations have been done since its original construction. It is market-rate, has net monthly rents ranging from \$625 to \$645, a 9.1% vacancy rate, and 2.5 stories.

Each surveyed rental property was rated on a scale of A through E, with A rated properties representing very high quality product that is upscale and luxurious, and E rated properties representing very low quality product that is in serious disrepair. All properties were rated on overall quality and appearance. Marion Manor received a B- quality rating.

The following table summarizes the breakdown of unit information by property type within the DSA:

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	VACANCY RATE*	MEDIAN NET RENT
ONE-BEDROOM	1.0	22	100.0%	2	9.1%	\$625
TOTAL MARKET-RATE		22	100.0%	2	9.1%	-

\*As of July 2007

All 22 surveyed units were one-bedroom/one-bath floor plans. The following table summarizes the average net monthly rent per square foot by bedroom type and unit design for the multi-unit rental properties surveyed within the DSA (note: garden units have all living areas on one floor, regardless of the number of stories in a building, while townhouse units have living areas on multiple floors):

BEDROOM TYPE	AVERAGE NET RENT PER SQUARE FOOT			
	MARKET-RATE		TAX CREDIT	
	GARDEN	TOWNHOUSE	GARDEN	TOWNHOUSE
ONE-BEDROOM	\$1.21	-	-	-

All surveyed rental units are walk-up garden-style plans. The above table indicates that the average net monthly rent per square foot is \$1.21 for a one-bedroom market-rate unit. Compared to aggregate averages in this study, the Ferndale DSA's average net monthly rent per square foot is higher.

The following table summarizes property counts, unit counts, vacancy rates, and median net monthly rents by quality rating and property type:

MARKET-RATE PROPERTIES				MEDIAN NET RENT
QUALITY RATING	NUMBER	TOTAL UNITS	VACANCY RATE*	ONE-BR.
B-	1	22	9.1%	\$625

\*As of July 2007

Correlations between the quality of surveyed properties and their vacancy rates or net monthly rents cannot be drawn since there is only one surveyed property.

The following appliances were included in the surveyed rental units:

- Range
- Refrigerator
- Disposal

The following amenities were included in the surveyed rental units:

- Air conditioning (window)
- Floor covering
- Window treatments

The following common amenities were included in the surveyed rental property for use by residents:

- Laundry facilities

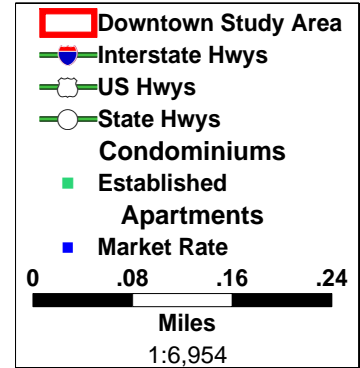
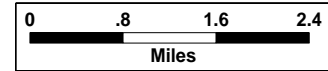
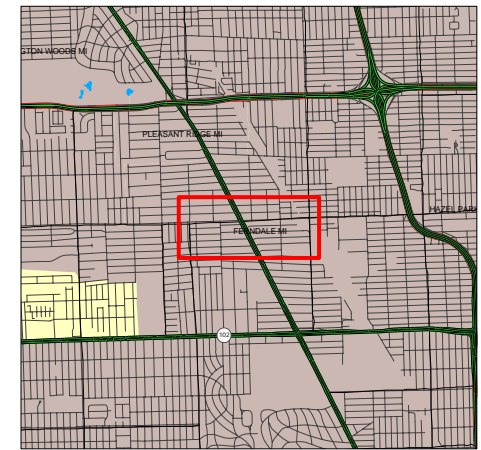
The following utility mix and payment responsibility applied to the surveyed rental property:

- Space heating (gas / tenant)
- Cooking (electric / tenant)
- Water heating (gas / tenant)
- Other electric (tenant)
- Water-sewer-trash (landlord)


An abbreviated field survey of all multi-unit rental properties in the Ferndale DSA is provided in the following pages. Properties have been color-coded to reflect type. The field survey is comprised of the following major elements:

- A colored-coded map indicating the location of each property surveyed.
- A list of properties surveyed with name, address, telephone number, contact person, photograph, property type, year built and renovated (if applicable), number of floors, total units, occupancy rate, quality rating, and presence of an elevator.
- Rent and unit information by property and number of bedrooms.

# Ferndale, MI: DSA Boundary with Surveyed Properties



# SURVEY OF RENTAL PROPERTIES - FERNDALE, MI

1 Marion Manor				
	<b>Address</b>	346 W. Breckenridge Ferndale, MI 48220	<b>Contact</b>	Name not given
	<b>Year Built</b>	1964	<b>Phone</b>	(248) 721-4205 (Contact by phone)
	<b>Project Type</b>	Market-rate		
	<b>Comments</b>	Square footage & year built estimated; No elevator		
			<b>Total Units</b>	22
			<b>Vacancies</b>	2
			<b>Occupied</b>	90.9%
			<b>Floors</b>	2.5
			<b>Quality Rating</b>	B-
			<b>Waiting List</b>	None

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Surveyed - July 2007

**VWB**  
vogtwilliamsbowen  
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## PRICE PER SQUARE FOOT - FERNDALE, MI

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	NET RENT	\$ / SQ. FT.
1	Marion Manor	1	525	\$625 to \$645	\$1.19 to \$1.23

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Surveyed - July 2007

**VWLB**  
vogtwilliamsbowen  
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## MARKET RATE UNITS - FERNDALE, MI

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	COLLECTED RENT
1	Marion Manor	22	525	1	\$625 - \$645

Surveyed - July 2007



### **Multi-Unit Condominium Housing Supply Survey**

We identified and surveyed four multi-unit condominium housing properties totaling 21 units within the Ferndale DSA that met the selection criteria. Of these surveyed properties, all are established (properties where all units have sold) and none are active (properties with unsold condominium product). The following table shows the status of the multi-unit condominium properties included in the field survey:

PROPERTY TYPE	NUMBER OF PROPERTIES	UNITS		
		TOTAL	SOLD	UNSOLD
ESTABLISHED	4	21	21	0
ACTIVE	0	0	0	0
TOTAL	4	21	21	0

There are a total of 21 units in the established properties that were sold between March 2002 and June 2005, and none in the active properties.

The following table summarizes the absorption trends by condominium property type within the DSA:

AVERAGE MONTHLY UNIT SALES	CONDOMINIUM PROPERTY TYPE			
	ESTABLISHED		ACTIVE	
	NUMBER	PERCENT	NUMBER	PERCENT
< 0.5	0	0.0%	-	-
0.5 TO 0.9	3	75.0%	-	-
1.0 TO 1.9	0	0.0%	-	-
2.0 >	1	25.0%	-	-
TOTAL	4	100.0%	-	-

Between January 2002 and December 2005, a total of 21 condominium units sold. This is an average of 0.4 units monthly. The highest number of condominium units sold in any one year was 2002 when 10 units sold. This translates into a monthly absorption of 0.8 units. No condominium units have been available for sale since June 2005, and no units were sold prior to 2000.

The following table details quality ratings, unit information, and sales data for each multi-unit condominium property surveyed within the DSA:

MAP I.D.	PROPERTY NAME	QUALITY RATING	TOTAL UNITS	SOLD UNITS	UNSOLD UNITS	AVERAGE INITIAL SALE PRICE	AVERAGE MONTHLY UNIT SALES	SALES PERIOD
1	BRECKENRIDGE CONDOMINIUMS	B+	4	4	0	\$160,000	0.7	1/05 to 6/05
2	VESTER CONDOMINIUMS	B+	6	6	0	\$181,017	0.6	3/02 to 12/02
3	BRECKENRIDGE PLACE	B-	6	6	0	\$132,242	2.0	11/02 to 1/03
4	LELAND STREET CONDOMINIUMS	B+	5	5	0	\$118,940	0.6	9/04 to 4/05
TOTAL / AVERAGE		B	21	21	0	\$148,050	1.0*	

\*Average weighted by sold units

Each surveyed condominium property was rated on a scale of A through E, with A rated properties representing very high quality product that is upscale and luxurious, and E rated properties representing very low quality product that is in serious disrepair. All properties were rated on overall quality and appearance. All surveyed properties received B ratings within the Ferndale DSA.

There are 21 condominium units in four properties, five units, or 23.8%, are in an older 1970s apartment building that was converted to condominiums in 2004, while the remaining 16 units, or 76.2%, are in three newly built properties. The two largest of the surveyed properties are Vester Condominiums and Breckenridge Place, each with six total units, while the smallest is Breckenridge Condominiums with four total units. The average sized property is five units. Surveyed properties are two stories in height.

The average sale prices at the established properties range from a low of \$118,940 at Leland Street Condominiums to a high of \$181,017 at Vester Condominiums. The Ferndale DSA average weighted (by unit count) sale price for established properties is \$148,224. The average weighted sale price for all surveyed condominium units in this study is \$202,723 for established properties.

The surveyed property with the highest (fastest) absorption rate is Breckenridge Place with two sales per month. The properties with the lowest (slowest) absorption rates are Vester Condominiums and Leland Street Condominiums with 0.6 sales per month. The DSA average weighted (by sold units) absorption rate for all surveyed properties is one sale per month. This value is lower than the average weighted absorption rate for all surveyed condominium properties in this study (2.1 sales per month).

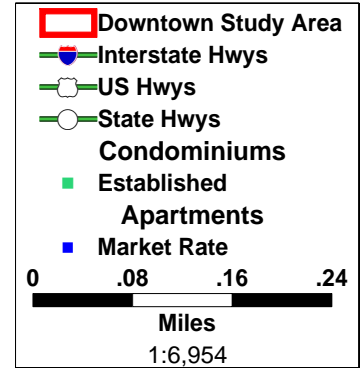
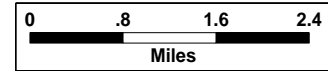
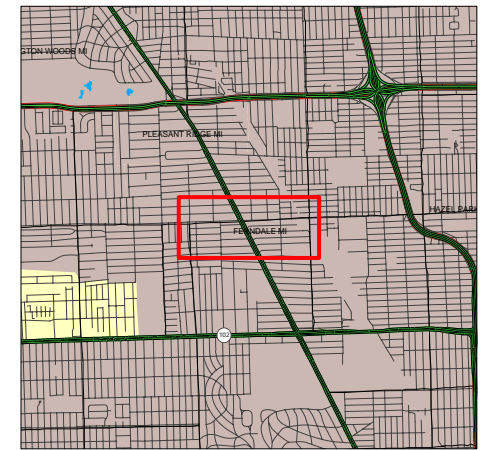
The first condominium property within the DSA to be marketed was Vester Condominiums with the first sale being recorded in March 2002.

Our survey revealed no active multi-unit condominium properties within the Ferndale DSA.

An abbreviated field survey of all multi-unit condominium properties in the Ferndale DSA is provided in the following pages. Properties have been color-coded to reflect type. The field survey is comprised of the following major elements:

- A colored-coded map indicating the location of each property surveyed.
- A list of properties surveyed with name, address, telephone number, contact person, photograph, property type (Active or Established), date of first and last sale, number of floors, total units, sales rate, units sold and unsold, and presence of an elevator.
- A summary of the number of properties surveyed, the aggregate number of units sold, and aggregate sales by year.

# Ferndale, MI: DSA Boundary with Surveyed Properties



# SURVEY OF CONDOMINIUMS - FERNDALE, MI

1 Breckenridge Condominiums				
	<b>Location</b>	513-529 E. Breckenridge Ferndale, MI 48220	<b>First Sale:</b> 1/18/2005 <b>Last Sale:</b> 6/18/2005	<b>Sales Rate*</b> 0.7 <b>Total Homes</b> 4
	<b>Developer</b>			
	<b>Phone</b>			
	<b>Comments</b>	Two re-sale units are currently listed for \$149,900 & \$147,777; No elevator		<b>Floors</b> 2
2 Vester Condominiums				
	<b>Location</b>	357-367 Vester St. Ferndale, MI 48220	<b>First Sale:</b> 3/22/2002 <b>Last Sale:</b> 12/19/2002	<b>Sales Rate*</b> 0.6 <b>Total Homes</b> 6
	<b>Developer</b>	Tenor Investments		
	<b>Phone</b>			
	<b>Comments</b>	No elevator		<b>Floors</b> 2
3 Breckenridge Place				
	<b>Location</b>	1934-1954 Planavon/345 E. Brecke Ferndale, MI 48220	<b>First Sale:</b> 11/21/2002 <b>Last Sale:</b> 1/31/2003	<b>Sales Rate*</b> 2.0 <b>Total Homes</b> 6
	<b>Developer</b>	345 W. Breckenridge		
	<b>Phone</b>			
	<b>Comments</b>	No elevator		<b>Floors</b> 2
4 Leland Street Condominiums				
	<b>Location</b>	2005-2013 Leland St. Ferndale, MI 48220	<b>First Sale:</b> 9/10/2004 <b>Last Sale:</b> 4/22/2005	<b>Sales Rate*</b> 0.6 <b>Total Homes</b> 5
	<b>Developer</b>	PJP Realty Company		
	<b>Phone</b>			
	<b>Comments</b>	No elevator		<b>Floors</b> 2

\* Calculated based on active sales period. For active projects, active sales period extends to current month

 Active

 Established

Surveyed - July 2007

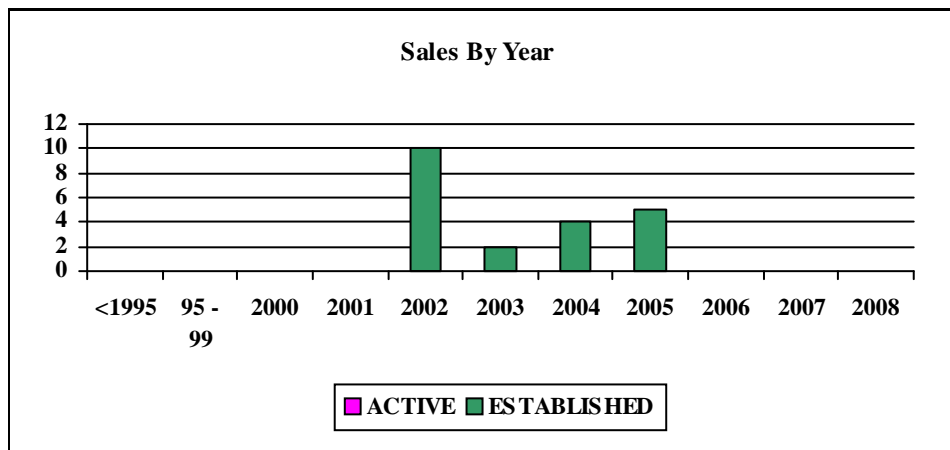
**VWBR**  
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## STATUS OF PROJECTS SURVEYED - FERNDALE, MI

PROJECT STATUS	NUMBER OF PROJECTS	UNITS			
		TOTAL	SOLD	AVAILABLE	PLANNED
ESTABLISHED	4	21	21	0	0
<b>TOTAL</b>	<b>4</b>				
* Active totals include both sold-out and active phases. Established totals reflect projects that have sold out units in all phases.					

## UNIT SALES BY YEAR - FERNDALE, MI

YEAR	UNITS SOLD		TOTAL SALES	AVERAGE MONTHLY SALES
	ESTABLISHED PHASES	ACTIVE PHASES		
< 1995	0		0	
1995 - 1999	0		0	0.0
2000	0		0	0.0
2001	0		0	0.0
2002	10		10	0.8
2003	2		2	0.2
2004	4		4	0.3
2005	5		5	0.4
2006	0		0	0.0
2007	0		0	0.0
<b>TOTAL</b>	<b>21</b>		<b>21</b>	<b>0.3</b> *
* - AVERAGE MONTHLY SALES FROM 2000 TO 2006				



Surveyed - July 2007

### **Planned Multi-Unit Developments**

According to city building and planning officials, there were three multi-unit housing properties pending city approvals that had not started construction by July 2007 (study cut-off date) within the Ferndale DSA. The following table provides summary information on these planned properties:

<b>PROPERTY NAME &amp; LOCATION</b>	<b>DEVELOPER</b>	<b>PROPERTY TYPE</b>	<b>TOTAL UNITS</b>	<b>PROPERTY DETAILS</b>	<b>PROJECTED OPENING</b>
LOFTS ON 9 211 E. NINE MILE	ROBERT WOLFSON	CONDO/ MIXED USE	32	1-BR & 2-BR UNITS 917 to 2,145 SF/UNIT	SUMMER 2008
WOODWARD LOFTS 23350 WOODWARD	STERLING GROUP	CONDO/ MIXED USE	18	STUDIO, 1-BR & 2- BR'S 500 to 1,100 SF/UNIT	FALL 2008
TRIO BUILDING LOFTS 22840 WOODWARD	BRAVATA HOLDINGS V, LLC	CONDO/ MIXED USE	15	4 STORIES 980 to 2,600 SF/UNIT	SUMMER 2009
TOTAL		3	65		

There are no new multi-unit rental housing properties planned for the Ferndale DSA. There are three new multi-unit condominium housing properties totaling 65 units planned for the DSA. Combined, this represents a total of three multi-unit housing properties with 65 total units for an average size of 22 units per planned property.

### **Summary**

From our research and field survey, the following table summarizes the multi-unit housing supply within the Ferndale DSA that met the study's selection criteria:

<b>PROPERTY TYPE</b>	<b>PROPERTIES</b>				<b>UNITS</b>			
	<b>PLANNED</b>	<b>BEING BUILT</b>	<b>BUILT</b>	<b>TOTAL</b>	<b>PLANNED</b>	<b>BEING BUILT</b>	<b>BUILT</b>	<b>TOTAL</b>
RENTAL	0	0	1	1	0	0	22	22
CONDOMINIUM	3	0	4	7	65	0	21	86
TOTAL	3	0	5	8	65	0	43	108

Combined, there are a total of eight multi-unit housing properties planned, being built, or built in the Ferndale DSA representing 108 total units. Of these 108 units, 65 (60.2%) are planned, none are being built, and 43 (39.8%) are built.